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# TYPES OF TENDER PROCEDURES

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We are often asked to provide explanations of some of the relevant and different types of Tender procedures in the UK.

On the following pages you’ll find a list of those tender procedures. Surprisingly, you’ll see the list is actually quite short. Tender types in the Public Sector are determined by the Public Sector Contract Regulations, these regulations determine the type and therefore the number of Tender procedures.

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There are several types of tendering procedures for all notices published in the European Journal (OJEU), which is the official journal for all above threshold procurements. Many lower value tenders generally employ the format of the open and restricted procedures.

**Open:** This is a one-stage process where one fully priced tender is submitted by any interested supplier along with their responses to the set questions which are often both the PQQ and the ITT questions you would receive during the restricted process all in one document.

The tender will be evaluated against a marking scheme under a set of criteria and then awarded to the highest scoring bidder. This procedure is often used for simple procurements or where there are only a small number of potential tenderers.

There is also the open accelerated procedure, which is the same process but with shorter timeframes, coming into force with the changes to the EU Procurement Directive.

**Restricted:** This is a two stage process often referred to as the closed procedure. Interested bidders are required to complete an initial pre-qualification stage which normally takes the form of a Prequalification Questionnaire (PQQ).

A PQQ asks for information about the bidder’s company with the aim of assessing the fitness, experience and capacity to tender. From the potential bidders who complete the PQQ, a smaller number (usually between 5 and 10) are selected. Only those who are shortlisted are invited to submit a full tender.

This full tender will be completed in the Invitation to Tender (ITT) stage and tenderers will be assessed based on pre-set criteria with the highest scoring tender being awarded the contract. There is also an accelerated restricted procedure as with the open procedure.

In general, buyers prefer this type of process as it restricts the number of bidders at ITT stage because of the PQQ process which is used to assess and invite bidders to go to the ITT stage.

**Competitive Dialogue:** This is used for more complex procurements, such as where the authority is unable to define the technical means or the legal/financial make-up of the requirement.

This is a two stage process where shortlisted suppliers who have successfully pre-qualified are involved in a dialogue with the authority in order to develop suitable solutions with the buyer. Subsequently the pre-qualified suppliers are invited to submit a bid.

**Competitive Procedure with Negotiation:** This follows the same format as negotiated procedure with notice. The contracting authority must indicate the minimum requirements for tenderers to participate in advance and minimum requirements cannot be negotiated or changed. Buying authorities have a requirement to negotiate all tenders to improve content, except final tenders, unless they have reserved the possibility not to do so

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in the prior information notice (PIN) or invitation to tender. They are also prohibited from changing the award criteria and recitals once the competition is underway.

**Innovation Partnership Procedure:** This will enable contracting authorities to select partners on a competitive basis and have them develop an innovative solution tailored to their requirements.

The competitive phase of the tender will take place up front and once selected, tenderers often develop or present new solutions as required and in collaboration with the contracting authority.

This research and development phase can be divided into several stages, during which the number of partners may be gradually reduced, depending on whether they meet certain predetermined criteria. The bidders remaining will then provide the solution to the buying authority under contract.